

Summary Minutes
Workers' Compensation Trust Fund
Wednesday, April 20, 2016 - 10:00 AM
City Hall - Council Chambers, Room B3
5850 W. Glendale Avenue
Glendale, AZ 85301

Members Present

Gary Deardorff, Chairman
Tom Duensing, Trustee
Ray Malnar, Councilmember
Julie Stiak, Trustee

Staff Present

Vicki Kettner, Risk & Safety Analyst
Lorena Sanchez, Risk & Safety Analyst
Dianne Shoemake, Risk Manager
Hillary Zagara, Risk Technician

1. Call to Order

Gary Deardorff called the meeting to order at 9:59 AM.

2. Approval of November 18, 2015 Risk Management Trust Fund Board Meeting Minutes

The minutes were provided to the Trustees. Julie Stiak moved to approve the minutes as written and it was seconded by Tom Duensing. 4 Ayes, 0 Nays, motion passed.

3. Presentation of Recognition of councilmember Ray Malnar's Loyalty Oath

Dianne Shoemake reported that Councilmember Malnar was sworn in at the 11/24/15 City Council meeting. Councilmember Malnar was presented with his Loyalty Oath in the earlier Risk Management Trust Fund Board meeting where it was read and fully executed. No Action taken.

4. Executive Session

Dianne Shoemake advised a motion was needed to enter Executive Session. Gary Deardorff moved to enter executive session and it was seconded by Ray Malnar, 4 Ayes, 0 Nays, motion passed. Lorena Sanchez provided Trustees an update of workers' compensation claims and those in litigation. Gary Deardorff moved to return to regular session. The motion was seconded by Ray Malnar. 4 Ayes, 0 Nays, motion passed.

5. Discussion of Actuarial Study of the Workers' Compensation program as of December 31, 2015 extrapolated to June 30, 2016

Dianne Shoemake reported that the actuary, Aon Risk Solutions, completed the actuarial analysis of the Workers' Compensation Trust Fund Program. The report was discussed. No action taken.

6. Discussion of Workers' Compensation Trust Fund Fiscal Year 2015/16 Revenue and Expenses

Dianne Shoemake presented the total revenues and expenses for the FY 2015/16 as of April 15, 2016. No action taken.

7. Discussion of Industrial Commission of Arizona (ICA) Self-Insurance Renewal and Exemption from Posting a Security Deposit

Lorena Sanchez provided Trustees with the report to ICA to request continuation of self-insurance and exemption to post a security deposit. The ICA approved the City's request on 2/11/16. No action taken

8. Discussion and Approval of Contract Fees for Workers' Compensation Third Party Administrator, CorVel Enterprise Comp., Inc.

Dianne Shoemake presented the cost of administration and claims fees paid to date and the estimated cost for the duration of the five-year contract. Ray Malnar made a motion recommending staff present an explanation of the increased fees to City Council at a workshop and then request approval to increase CorVel's fees for the term of the contract amounting to \$1,240,550 at a voting meeting. 4 Ayes, 0 Nays, Motion passed.

9. Discussion of Arizona Department of Occupational Safety and Health (ADOSH)

Dianne Shoemake reported ADOSH conducted multiple inspections throughout the City and requested employee training information. The City is waiting for a final report from ADOSH. No action taken.

10. Review and Approval of Fiscal Year End 2015 Workers' Compensation Trust Fund Report to Council

Dianne Shoemake presented a draft copy of the report. Tom Duensing recommended changes to the report. Gary Deardorff made a motion to accept the report with the changes as recommended by Mr. Duensing and it was seconded by Ray Malnar. 4 Ayes, 0 Nays, Motion passed.

11. Adjournment

Gary Deardorff moved to adjourn the meeting which was seconded by Ray Malnar.
The meeting was adjourned at 11:42 AM.

Submitted by:
Dianne Shoemake